



**The following changes, clarifications, corrections, and additions are hereby incorporated into Solicitation SP0600-04-R-0122:**

**Delivery Schedule Changes:**

**South Region**

- 1. Line Item 2011/White Sands Missile Range, NM:** The estimated Quantities are hereby decreased by 55,950 Dths. The new schedule page may be found on page 5 of this amendment; a revised consumption data sheet may be found on page 14 of this amendment.
- 2. Line Item 2043/FCI Butner, NC:** The Firm Requirement is hereby deleted. The estimated quantities are hereby increased by 18,450 Dths. The new schedule page may be found on page 6 of this amendment; a revised consumption data sheet may be found on page 14 of this amendment.
- 3. Line Item 2052/Federal Bureau of Prisons, FL:** The SIP table is hereby revised: Column V should read Zone 2 in lieu of Zone 3. The new schedule page may be found on page 7 of this amendment.

**West Region**

- 1. Line Item 4005/Installations behind SoCal, CA:** Sub-Line Item 40050104/DFSP Norwalk is hereby deleted from Line Item 4005 and moved to Line Item 4006, Subline Item 400603. In addition the following note is added. The new schedule page may be found on pages 8-10 of this amendment.

The following note only applies to 40050101/NAS Lemoore, 40050102/NAWS Point MUGU, and 40050103/NCB Port Hueneme:

**Note 13:** The California Navy customers anticipate the possibility of the California Public Utility Commission (CPUC) approving a change in the Utility tariff during the course of the delivery period. If this happens, the Government may consider terminating those California Navy line items for the remainder of the delivery period to return permanently to the Local Distribution Company.

- 2. Line Item 4006/Installations behind SoCal M31 CAT, CA:** DFSP Norwalk, Sub-line item number is 400603. The requirement for DFSP Norwalk has changed from a Non-Core transport customer to a Core transport customer. DFSP Norwalk Core quantities have changed from Non-Core 31,400 Dths to Core 20,800 Dths. The new schedule page may be found on page 11 of this amendment; a revised consumption data sheet may be found on page 14 of this amendment.

The following notes apply to Line Item 4006 - SoCal:

**NOTE 3:** Defense Energy Support Center (DESC) is the Energy Service Provider (ESP) for the Core customers. The awarded contractor will act as the Agent for the ESP. The Contractor has to be in compliance with all terms and conditions of the ESP provider agreement. As the Agent of the ESP the Contractor is required to be CORE Aggregation Transporter on the SoCal System. The Contractor is required to act on the ESP behalf.

**NOTE 4:** The Utility will assign firm interstate pipeline capacity to ESP in a manner consistent with Tariff Rule No. 32 and will notify ESP and Agent of Daily Contract Quantity (DCQ) and Core Capacity Assignment in writing, by facsimile or on Gas Select by the 20<sup>th</sup> calendar of the month. ESP or Agent agrees that the total assigned core capacity quantity shall be the DCQ determined on a monthly basis SoCal Gas, in accordance with Tariff Rule 32 and shall be assigned and accepted at 100% of the "as-billed-rate." The Agent (Contractor) and interstate pipeline will be responsible for, or liable for any billing or administration of interstate pipeline capacity agreements. The Agent (Contractor) is responsible for, and shall pay directly to the interstate pipeline, all charges for assigned capacity. The Utility will reimburse ESP an amount equal to payment to the interstate pipeline for its assigned capacity, offset by Procurement Management Charges due from the ESP, all as set forth in Rule 32.

**NOTE 5:** As Core Transportation Customers FCI Terminal Island, FCI Metro Detention Center, and DFSP Norwalk are required to use assigned capacity.

**3. Line Item 4008-3/Installations behind PG&E Contractor Owned Transportation if Gov't Owned Transportation is Cut:** The SIP table is hereby revised: Column III should read Gas Daily in lieu of Natural Gas Intelligence. The new schedule page may be found on page 12 of this amendment.

**4. Line Item 4011/Public Works Center, San Diego, CA:** The following note is added.

**Note 5:** The California Navy customers anticipate the possibility of the California Public Utility Commission (CPUC) approving a change in the Utility tariff during the course of the delivery period. If this happens, the Government may consider terminating those California Navy line items for the remainder of the delivery period to return permanently to the Local Distribution Company. The new schedule page may be found on page 13 of this amendment.

#### **Solicitation Clarification:**

**1.** Each installation's requirements identified in the consumption data are estimates only and do not preclude the possibility of increasing or decreasing the quantities over the course of the delivery period. Clause I84, REQUIREMENTS (OCT 1995), paragraph (a) states the following:

This is a requirements contract for the supplies or services specified and effective for the period stated in the Schedule. The quantities of supplies or services specified in the Schedule are estimates only and are not purchased by this contract. Except as this contract may otherwise provide, if the Government's requirements do not result in orders in the quantities described as "estimated" or "maximum" in the Schedule, that fact shall not constitute the basis for an equitable price adjustment.

**2. Clause B700, ECONOMIC PRICE ADJUSTMENT - MARKET PRICE AND TRANSPORTATION (NATURAL GAS) (DESC AUG 2004), paragraph (2) states the following:**

Adjustment Factor (AF), as provided by offerors in the SUPPLIES TO BE FURNISHED clause, is a fixed price per unit of product to compensate an offeror for all costs of contract performance including but not limited to supply costs, ALL transportation-related costs which includes ALL interstate/intrastate pipeline's and local distribution company (LDC) fuel loss, overhead costs, and margin insofar as these costs vary from the SIP. The AF is composed of two separately priced factors: the Summer AF, which will be used to calculate the contract unit price for deliveries from April 1 through October 31, and the Winter AF, which will be used to calculate the contract unit price for deliveries from November 1 through March 31.

**3. Revised initial offers may be submitted at any time prior to the solicitation closing date.**

**4. Clause L2.08-2, INSTRUCTIONS TO OFFERORS – COMMERCIAL ITEMS (NATURAL GAS), paragraph (f)(2) states the following:**

The Government intends to evaluate offers and award contracts without discussion with the offerors. Therefore, the offeror's initial offer should contain the offeror's best terms from a price and technical standpoint. However, the Government reserves the right to conduct discussions if later determined by the Contracting Officer to be necessary.

The revised closing date and time for receipt of offers **Tuesday, November 16, 2004 at 2:00 p.m.** local time, Fort Belvoir, VA.

**2011 WHITE SANDS MISSILE RANGE, NM**

**NOTE 1:** White Sands Missile Range requires delivery of natural gas supplies FOB burnertip. White Sands Missile Range has requested Supply Management but does not have telemetering; therefore the Contractor can receive meter readings directly from the LDC.

**NOTE 2:** All costs associated with the Transportation Agreement with PNM (to include LDC fuel loss) shall be billed to the installation on a pass-through basis.

**2011 Direct Supply Natural Gas to be delivered FOB BURNERTIP WHITE SANDS MISSILE RANGE via INTERRUPTIBLE TRANSPORTATION WITH SUPPLY MANAGEMENT** from October 01, 2005 to September 30, 2008.

<b>TOTAL QUANTITY      462,900</b>		Estimated Quantity	Unit Price	Total Estimated Price
<b>FIXED PRICE WITH EPA:</b>				
2011 AA	SUPPLY INDEX PRICE	462,900	*	*
		Estimated Quantity	Unit Price	Total Estimated Price
<b>FIXED PRICE WITH EPA:</b>				
<b>INTERRUPTIBLE</b>		<b>462,900</b>	<b>*</b>	<b>*</b>
2011 AJ	WINTER ADJUSTMENT FACTOR	377,700	\$ _____	\$ _____
2011 AK	SUMMER ADJUSTMENT FACTOR	85,200	\$ _____	\$ _____
EQ	FOR ULTIMATE DELIVERY TO	SUMMER QUANTITY	WINTER QUANTITY	
201102	WHITE SANDS MISSILE RANGE INTERRUPTIBLE	85,200	377,700	

\*The following information is provided for **Clause B700, ECONOMIC ADJUSTMENT - MARKET PRICE AND TRANSPORTATION**, paragraph (e):

(1) The SIP Table is as follows:

I Item No.	II Delivery Point	III Publication/ Table	IV Pipeline where SIP is applicable	V Location where SIP is applicable	VI Applicable ceiling Provision	VII Supply Index Price
2011	WHITE SANDS MISSILE RANGE	INSIDE FERC'S GAS MARKET REPORT	EL PASO NATURAL GAS CO.	Permian Basin	ALT I	September, 2004

**2043 FEDERAL CORRECTIONAL INSTITUTE BUTNER, NC**

**NOTE 1:** FCI Butner requests Supply Management but they do not have telemetering. The LDC, Public Service Company of North Carolina, is available to provide the meter readings for the base. If additional readings are needed, the base will be available to assist.

**NOTE 2:** The Limited Interruptible requirements are based on past usage. However, as the Federal Medical Center continues to activate, it is anticipated natural gas requirements will increase. A new Federal Correctional Institution is in the beginning stages of construction/design. It is anticipated that this facility will be activated in FY2005 and natural gas will be the main fuel needed. It is also anticipated that the natural gas requirements will be limited interruptible.

**2043 Direct Supply Natural Gas to be delivered FOB CITYGATE PSNC of North Carolina via FIRM OR FIRM EQUIVALENT TRANSPORTATION WITH SUPPLY MANAGEMENT AND LIMITED INTERRUPTIBLE TRANSPORTATION WITH SUPPLY MANAGEMENT from October 01, 2005 to September 30, 2008.**

<b>TOTAL QUANTITY</b>		<b>591,000</b>			
			Estimated Quantity	Unit Price	Total Estimated Price
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<b>FIXED PRICE WITH EPA:</b>					
2043 AA	SUPPLY INDEX PRICE		591,000	*	*
			Estimated Quantity	Unit Price	Total Estimated Price
-----					
<b>FIXED PRICE WITH EPA:</b>					
<b>LIMITED INTERRUPTIBLE</b>					
2043 AG	WINTER ADJUSTMENT FACTOR		591,000	*	*
2043 AH	SUMMER ADJUSTMENT FACTOR		307,500	\$ _____	\$ _____
			283,500	\$ _____	\$ _____
EQ	FOR ULTIMATE DELIVERY TO	MDQ	SUMMER QUANTITY	WINTER QUANTITY	
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204301	FCI BUTNER				
	LIMITED INTERRUPTIBLE		283,500	307,500	

\*The following information is provided for **Clause B700, ECONOMIC ADJUSTMENT - MARKET PRICE AND TRANSPORTATION**, paragraph (e):

(1) The SIP Table is as follows:

I Item No.	II Delivery Point	III Publication/ Table	IV Pipeline where SIP is applicable	V Location where SIP is applicable	VI Applicable ceiling Provision	VII Supply Index Price
2043	CITYGATE PSNC OF NORTH CAROLINA	INSIDE FERC'S GAS MARKET REPORT	TRANSCONTINENTAL GAS PIPE LINE CORP.	Zone 3 (pooling points)	ALT I	September, 2004

**2052 FEDERAL BUREAU OF PRISONS, FL**

**NOTE 1:** This installation is presently having a phone line installed and will have telemetry prior to contract award. This item is an Individual Transport (IT) account with telemetry.

**2052** Direct Supply Natural Gas to be delivered FOB CITYGATE NUI City Gas Company of FL  
via **FIRM OR FIRM EQUIVALENT TRANSPORTATION WITH SUPPLY MANAGEMENT** from October 01,  
2005 to September 30, 2008.

**TOTAL QUANTITY 49,758**

	Estimated Quantity	Unit Price	Total Estimated Price
<b>FIXED PRICE WITH EPA:</b>			
2052 AA SUPPLY INDEX PRICE	49,758	*	*
	Estimated Quantity	Unit Price	Total Estimated Price
<b>FIXED PRICE WITH EPA:</b>			
<b>FIRM</b>	<b>49,758</b>	<b>*</b>	<b>*</b>
2052 AD WINTER ADJUSTMENT FACTOR	21,012	\$ _____	\$ _____
2052 AE SUMMER ADJUSTMENT FACTOR	28,746	\$ _____	\$ _____

EQ	FOR ULTIMATE DELIVERY TO	MDQ	SUMMER QUANTITY	WINTER QUANTITY
205201	FEDERAL BUREAU OF PRISONS, FL FIRM	41	28,746	21,012

\*The following information is provided for **Clause B700, ECONOMIC ADJUSTMENT - MARKET PRICE AND TRANSPORTATION**, paragraph (e):

(1) The SIP Table is as follows:

I Item No.	II Delivery Point	III Publication/ Table	IV Pipeline where SIP is applicable	V Location where SIP is applicable	VI Applicable ceiling Provision	VII Supply Index Price
205201	NUI CITY GAS COMPANY OF FL	INSIDE FERC'S GAS MARKET REPORT	FLORIDA GAS TRANSMISSION CO.	Zone 2	ALT I	September, 2004

**4005 INSTALLATIONS BEHIND SOCAL, CA**

The following seven notes apply to lines items 4005 and 4006 - SOCAL:

**NOTE 1:** Line Items 4005 (Non Core) and 4006 (Core Aggregation Transportation)/(CAT) are tied together for purposes of evaluation and award. Offeror must offer on both line items to be considered for award.

**NOTE 2:** Delivery of natural gas is to be FOB Citygate to the California Border via El Paso Natural Gas Pipeline, Kern River Transmission Company, Mojave Pipeline Company, Pacific Gas Transmission, Transwestern Natural Gas Pipeline, and/or California in-state produced natural gas. The contractor shall be the shipper of record on any pipeline(s) used.

**NOTE 3:** If the awarded Contractor chooses to ship the SOCAL Gas requirements via Kern River-Wheeler Ridge, then the Contractor shall bear all interconnect access fees associated with this pipeline. The SOCAL requirements are not eligible for the Kern River interconnect access fee credit.

**NOTE 4:** DESC shall provide the Contractor with one nomination that consists of all facilities behind SOCAL and Southwest Gas. The Contractor will place monthly nominations to the LDC and any necessary pipelines in accordance with the delivery order issued by DESC. The Contractor shall monitor the installation's consumption of natural gas via telemetering or via coordination with DESC-provided facsimile meter readings. The Contractor shall issue one invoice monthly, based on usage, with details per installation. Any imbalance above or below zero and any imbalance penalties shall be the Contractor's responsibility.

**NOTE 5:** DESC possesses a natural gas storage account with an inventory volume of 23,900 Dths. At its discretion, DESC may inject into or withdraw from its basic storage account. The potential injection period for the Peak Season is April through November and Off-Peak is December through March. Withdrawal service may occur in the Peak Season, November through March, and Off-Peak Season, April through October.

**NOTE 6:** This requirement is based on Southern California Gas Company Application (A.) 03-06-040 submitted to the California Public Utilities Commission (CPUC) to implement the Firm Rights For California (FRCA). In the event the FRCA is approved and DESC elects to obtain Backbone Transmission Capacity, the Contractor will be required to use all the capacity DESC obtains to fulfill the Government's requirements. The Contractor is responsible for obtaining any capacity required above the Government-Owned capacity. If the FRCA is not approved by the CPUC or DESC elects not to obtain capacity, the Contractor is required to provide all firm capacity.

**NOTE 7:** In the event the Firm Rights for California (FRCA) for San Diego Gas & Electric and Southern California Gas Company (Socal) occurs during the 3-year contract period, requiring changes in the Delivery Point or Pipeline Supply Index Price (SIP) for the Economic Price Adjustment (EPA), prices will be subject to an equitable adjustment at that time.

**NOTE 8:** This note applies to DFSP Norwalk ONLY. DFSP Norwalk is under a Remediation Project. In the event the Remediation Project does not require the use of natural gas and the property is transferred to the private sector during this contract period, the customer may decrease his requirements to zero without any penalties, provided that he provides notification to DESC and contractor in a timely manner.

**NOTE 9:** This note applies to MCAGCC Twenty Nine Palms ONLY. Customer has the right to adjust volumes without any penalties in the event of delays beyond customer control and to adjust the nomination quantities if it becomes necessary due to the uncertainty of the Co-generation plant volumes fluctuations. The Co-generation plant will shutdown for maintenance annually the first two weeks in the month of March, beginning on the first Monday. This will cause a decrease in gas usage during this month. There may be additional outages based on the need for testing of equipment and quarterly wash-down. The customer will notify DESC and contractor prior to any additional outages.

**NOTE 10:** This note applies to Vandenberg AFB ONLY. Monthly quantities are based on historical seasonal data but could change due to mission launch activity and transition of space launch missions. Requirement quantities will fluctuate due to unpredictable launch pattern and transition to Evolved Expendable Launch Vehicle Program. Vandenberg AFB may also acquire additional missions as a result of Base Realignment and Closure (BRAC) activity beginning in 2007.

**NOTE 11:** This note applies to FCI Terminal Island ONLY. The installation has requested Supply Management but does not have telemetering capabilities. If meter readings are necessary to accomplish Supply Management, Contractor will contact the LDC to receive meter readings.

**NOTE 12:** This note applies to FCC Victorville ONLY. Customer anticipates the inmate population increasing at the United States Penitentiary during this contract period and reserves the right to adjust the volumes when this occurs.



**The following note only applies to 40050101, NAS Lemoore, 40050102 NAWS Point MUGU, and 40050103NCB Port Hueneme:**

**NOTE 13:** The California Navy customers anticipate the possibility of the California Public Utility Commission (CPUC) approving a change in the Utility tariff during the course of the delivery period. If this happens, the Government may consider terminating those California Navy line items for the remainder of the delivery period to return permanently to the Local Distribution Company.

**The following notes apply only to 40050201, MCLB Barstow and 40050202, FCC Victorville:**

**NOTE 14:** The SOCAL requirement includes MCLB Barstow and FCC Victorville, which are firm requirements and whose LDC is Southwest Gas Corporation (SWG). SWG is a wholesale customer of SOCAL. The monthly nominations for MCLB Barstow and FCC Victorville are included in the SOCAL monthly order.

**NOTE 15:** If the awarded Contractor choose to ship the MCLB Barstow and FCC Victorville requirements via Kern- River - Wheeler Ridge, then the Contractor shall bear all interconnect access fees associated with this pipeline. The Southwest Gas requirements are not eligible for the Kern-River Interconnect Access Fee Credit.

4005 Direct Supply Natural Gas to be delivered FOB CITYGATE CA BORDER via FIRM OR FIRM EQUIVALENT TRANSPORTATION WITH SUPPLY MANAGEMENT from October 01, 2005 to September 30, 2008.

TOTAL QUANTITY 7,468,398

	Estimated Quantity	Unit Price	Total Estimated Price
<b>FIXED PRICE WITH EPA:</b>			
4005 AA SUPPLY INDEX PRICE	7,468,398	*	*
	Estimated Quantity	Unit Price	Total Estimated Price
<b>FIXED PRICE WITH EPA:</b>			
<b>FIRM</b>	<b>7,468,398</b>	<b>*</b>	<b>*</b>
4005 AD WINTER ADJUSTMENT FACTOR	3,891,249	\$_____	\$_____
4005 AE SUMMER ADJUSTMENT FACTOR	3,577,149	\$_____	\$_____

EQ	FOR ULTIMATE DELIVERY TO	MDQ	SUMMER QUANTITY	WINTER QUANTITY
40050101	NAS LEMOORE			
	FIRM	1,161	128,100	423,000
40050102	NAWS POINT MUGU			
	FIRM	561	128,100	218,700
40050103	NCB PORT HUENEME			
	FIRM	416	116,400	168,000
40050105	MCAGCC TWENTY NINE PALMS			
	FIRM	2,742	1,170,000	1,080,000
40050108	MARCH ARB			
	FIRM	311	44,700	124,200
40050109	VANDENBERG AFB			
	FIRM	1,436	601,623	461,418
40050112	US PENITENTIARY, LOMPOC			
	FIRM	597	195,000	244,500
40050113	FCI TERMINAL ISLAND			
	FIRM	152	61,800	66,000
40050114	LOS ANGELES AFB			
	FIRM	132	56,394	53,088
40050115	VAMC, LOS ANGELES			
	FIRM	1,208	615,297	530,565
40050116	VAMC SEPULVEDA			
	FIRM	343	144,135	142,878
40050201	MCLB BARSTOW			
	FIRM	500	178,200	214,200
40050202	FCC VICTORVILLE			
	FIRM	484	137,400	164,700

\*The following information is provided for Clause B700, ECONOMIC ADJUSTMENT - MARKET PRICE AND TRANSPORTATION, paragraph (e):

(1) The SIP Table is as follows:

I Item No.	II Delivery Point	III Publication/ Table	IV Pipeline where SIP is applicable	V Location where SIP is applicable	VI Applicable ceiling Provision	VII Supply Index Price
4005	CITYGATE CA BORDER	NATURAL GAS INTELLIGENCE	SOUTHERN CAL BDR AVG	N/A	ALT I	September, 2004

**4006 INSTALLATIONS BEHIND SOCIAL M31 CAT, CA**

**NOTE 1:** Line Items 4005 and 4006 are tied together for purposes of evaluation and award. Offerors must offer on all items within the tied group in order to be considered for award.

**NOTE 2:** The installation has requested Supply Management but does not have telemetering capabilities. If meter readings are necessary to accomplish Supply Management, Contractor will contact the LDC to receive meter readings.

**NOTE 3:** Defense Energy Support Center (DESC) is the Energy Service Provider (ESP) for the Core customers. The awarded contractor will act as the Agent for the ESP. The Contractor has to be in compliance with all terms and conditions of the ESP provider agreement. As the Agent of the ESP the Contractor is required to be CORE Aggregation Transporter on the SoCal System. The Contractor is required to act on the ESP behalf.

**NOTE 4:** The Utility will assign firm interstate pipeline capacity to ESP in a manner consistent with Tariff Rule No. 32 and will notify ESP and Agent of Daily Contract Quantity (DCQ) and Core Capacity Assignment in writing, by facsimile or on Gas Select by the 20th calendar of the month. ESP or Agent agrees that the total assigned core capacity quantity shall be the DCQ determined on a monthly basis SoCal Gas, in accordance with Tariff Rule 32 and shall be assigned and accepted at 100% of the "as-billed-rate." The Agent (Contractor) and interstate pipeline will be responsible for, or liable for any billing or administration of interstate pipeline capacity agreements. The Agent (Contractor) is responsible for, and shall pay directly to the interstate pipeline, all charges for assigned capacity. The Utility will reimburse ESP an amount equal to payment to the interstate pipeline for its assigned capacity, offset by Procurement Management Charges due from the ESP, all as set forth in Rule 32.

**NOTE 5:** As Core Transportation Customers FCI Terminal Island, FCI Metro Detention Center, and DFSP Norwalk are required to use assigned capacity.

**4006 Direct Supply Natural Gas to be delivered FOB CITYGATE CA BORDER via FIRM OR FIRM EQUIVALENT TRANSPORTATION WITH SUPPLY MANAGEMENT from October 01, 2005 to September 30, 2008.**

<b>TOTAL QUANTITY</b>		<b>115,830</b>	Estimated Quantity	Unit Price	Total Estimated Price
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<b>FIXED PRICE WITH EPA:</b>					
4006 AA	SUPPLY INDEX PRICE		115,830	*	*
			Estimated Quantity	Unit Price	Total Estimated Price
-----					
<b>FIXED PRICE WITH EPA:</b>					
<b>FIRM</b>		<b>115,830</b>		<b>*</b>	<b>*</b>
4006 AD	WINTER ADJUSTMENT FACTOR	60,750		\$ _____	\$ _____
4006 AE	SUMMER ADJUSTMENT FACTOR	55,080		\$ _____	\$ _____
EQ	FOR ULTIMATE DELIVERY TO	MDQ	SUMMER QUANTITY	WINTER QUANTITY	
-----					
400601	FCI TERMINAL ISLAND (CORE/CAT) FIRM	8	2,880	3,300	
400602	FCI METRO DETENTION CENTER FIRM	61	22,650	24,600	
400603	DFSP NORWALK FIRM	87	29,550	32,850	

\*The following information is provided for **Clause B700, ECONOMIC ADJUSTMENT - MARKET PRICE AND TRANSPORTATION**, paragraph (e):

(1) The SIP Table is as follows:

I Item No.	II Delivery Point	III Publication/ Table	IV Pipeline where SIP is applicable	V Location where SIP is applicable	VI Applicable ceiling Provision	VII Supply Index Price
4006	CITYGATE CA BORDER	NATURAL GAS INTELLIGENCE	SOUTHERN CAL BDR AVG	N/A	ALT I	September, 2004

**4008-3 PACIFIC GAS & ELECTRIC - CONTRACTOR OWNED TRANSPORTATION IF GOV'T OWNED TRANSPORTATION IS CUT**

Direct Supply Natural Gas to be delivered FOB CITYGATE FOB CityGate PG&E via  
**FIRM OR FIRM EQUIVALENT TRANSPORTATION WITH SUPPLY MANAGEMENT** from October 01, 2005  
 to September 30, 2008.

**TOTAL QUANTITY 7,308,861**

Estimated Quantity	Unit Price	Total Estimated Price
7,308,861	*	*
Estimated Quantity	Unit Price	Total Estimated Price

**FIXED PRICE WITH EPA:**

4008-3 AA SUPPLY INDEX PRICE

**FIXED PRICE WITH EPA:****FIRM**

<b>7,308,861</b>	*	*
4,202,994	\$_____	\$_____
3,105,867	\$_____	\$_____

4008-3 AD WINTER ADJUSTMENT FACTOR

4008-3 AE SUMMER ADJUSTMENT FACTOR

EQ FOR ULTIMATE DELIVERY TO	MDQ	SUMMER QUANTITY	WINTER QUANTITY
40080102 DLA-DDRW/SHARPE FACILITY			
FIRM	300	24,852	57,231
40080103 EDWARDS AFB			
FIRM	2,910	112,293	525,702
40080104 DLA/DDRW TRACY			
FIRM	279	21,963	165,669
40080106 TRAVIS AFB			
FIRM	1,710	228,801	376,635
40080109 DOE LAWRENCE LIVERMORE NAT. LAB			
FIRM	2,800	744,000	771,000
40080110 DOE LAWRENCE BERKELEY LAB			
FIRM	676	240,000	282,000
40080111 NAVAL POST GRADUATE SCHOOL, MONTEREY			
FIRM	547	136,821	143,004
40080112 NASA MOFFETT AIRFIELD			
FIRM	850	90,948	132,279
40080113 NASA AMES RESEARCH CENTER			
FIRM	1,800	566,649	419,706
40080114 NAWS CHINA LAKE			
FIRM	2,740	452,262	746,550
40080115 EDWARDS AFB, PHILLIPS LAB			
FIRM	283	26,256	80,637
40080116 VA NO. CAL HEALTH CARE SYS MATHER			
FIRM	131	66,285	50,703
40080117 NASA DRYDEN FLIGHT RESEARCH FACILITY			
FIRM	238	15,864	80,700
40080119 ONIZUKA AIR STATION			
FIRM	500	153,000	124,500
40080120 PRESIDIO OF MONTEREY			
FIRM	570	158,253	159,528
40080121 DOE STANFORD LINEAR ACCEL. LAB			
FIRM	300	67,620	87,150

\*The following information is provided for **Clause B700, ECONOMIC ADJUSTMENT - MARKET PRICE AND TRANSPORTATION**, paragraph (e):

**(1) The SIP Table is as follows:**

I Item No.	II Delivery Point	III Publication/ Table	IV Pipeline where SIP is applicable	V Location where SIP is applicable	VI Applicable ceiling Provision	VII Supply Index Price
4008-3	FOB CITYGATE PG&E	<b>GAS DAILY</b>	PG&E CITYGATE	N/A	ALT I	September, 2004

**4011 PUBLIC WORKS CENTER, SAN DIEGO, CA**

**NOTE 1:** Delivery of natural gas is to be FOB Citygate to the California border via El Paso Natural Gas Pipeline, Kern-River Transmission Company, Mojave Pipeline Company, Pacific Gas Transmission, Transwestern Natural Gas Pipeline, and/or California In-State produced natural gas. The Contractor shall be shipper of record on any pipeline(s) used.

**NOTE 2:** The Contractor shall invoice monthly, based on usage, with details per installation. The Contractor shall place monthly nominations to the LDC and any necessary pipelines in accordance with the delivery order issued by DESC. The Contractor shall monitor the installations consumption of natural gas via telemetering or via coordination with the LDC and/or DESC. The Contractor shall adjust the nomination within the applicable swing percentages as necessary to keep the installation within balance. Any imbalance above or below zero and any imbalance penalties shall be the Contractor's responsibility.

**NOTE 3:** If the awarded Contractor chooses to ship the San Diego Gas & Electric (SDG&E) requirement via Kern-River-Wheeler Ridge, then the Contractor shall bear all interconnect access fees associated with this pipeline. The SDG&E requirements are not eligible for the Kern-River interconnect access fee credit.

**NOTE 4:** In the event the Firm Rights for California (FRCA) for San Diego Gas & Electric and Southern California Gas Company (SOCAL) occurs during the contract period, requiring changes in the Delivery Point or Pipeline Supply Index Price (SIP) for the Economic Price Adjustment (EPA), prices will be subject to an equitable adjustment at that time.

**NOTE 5:** The California Navy customers anticipate the possibility of the California Public Utility Commission (CPUC) approving a change in the Utility tariff during the course of the delivery period. If this happens, the Government may consider terminating those California Navy line items for the remainder of the delivery period to return permanently to the Local Distribution Company.

**4011 Direct Supply Natural Gas to be delivered FOB CITYGATE California Border via FIRM OR FIRM EQUIVALENT TRANSPORTATION WITH SUPPLY MANAGEMENT from October 01, 2005 to September 30, 2008.**

TOTAL QUANTITY		2,567,709		Estimated Quantity	Unit Price	Total Estimated Price
FIXED PRICE WITH EPA:				-----		-----
4011 AA	SUPPLY INDEX PRICE	2,567,709		*		*
FIXED PRICE WITH EPA:				Estimated Quantity	Unit Price	Total Estimated Price
FIRM				-----		-----
4011 AD	WINTER ADJUSTMENT FACTOR	1,018,035		\$ _____		\$ _____
4011 AE	SUMMER ADJUSTMENT FACTOR	1,549,674		\$ _____		\$ _____
EQ FOR ULTIMATE DELIVERY TO		MDQ	SUMMER QUANTITY	WINTER QUANTITY		
		-----	-----	-----		
401101	PWC SAN DIEGO FIRM	1,704	1,549,674	1,018,035		

\*The following information is provided for **Clause B700, ECONOMIC ADJUSTMENT - MARKET PRICE AND TRANSPORTATION**, paragraph (e):

(1) The SIP Table is as follows:

I Item No.	II Delivery Point	III Publication/ Table	IV Pipeline where SIP is applicable	V Location where SIP is applicable	VI Applicable ceiling Provision	VII Supply Index Price
4011	CITYGATE CALIFORNIA BORDER	NATURAL GAS INTELLIGENCE	SOUTHERN CAL BDR AVG	N/A	ALT I	September, 2004

## SP0600-04-R-0122 Consumption Data

LINE ITEM NUMBER 201102  
 YEAR 1, 2, 3  
 INSTALLATION WHITE SANDS MISSILE RANGE  
 TRANSPORTATION IT

MONTH	Total Quantity	Curtailment Days per Month	EPA Estimated Quantity	Monthly Buy
JANUARY	31,400	31	31,400	
FEBRUARY	27,300	28	27,300	
MARCH	16,700	31	16,700	
APRIL	6,500	30	6,500	
MAY	3,600	31	3,600	
JUNE	2,900	30	2,900	
JULY	3,100	31	3,100	
AUGUST	3,300	31	3,300	
SEPTEMBER	3,300	30	3,300	
OCTOBER	5,700	31	5,700	
NOVEMBER	19,200	30	19,200	
DECEMBER	31,300	31	31,300	

LINE ITEM NUMBER 204301  
 YEAR 1, 2, 3  
 INSTALLATION FCI BUTNER  
 TRANSPORTATION LI

MONTH	Total Quantity	Curtailment Days per Month	EPA Estimated Quantity	Monthly Buy
JANUARY	24,000	10	24,000	
FEBRUARY	22,000	11	22,000	
MARCH	19,000	7	19,000	
APRIL	16,500	3	16,500	
MAY	12,000	4	12,000	
JUNE	13,000	3	13,000	
JULY	13,000	3	13,000	
AUGUST	13,000	3	13,000	
SEPTEMBER	13,000	5	13,000	
OCTOBER	14,000	3	14,000	
NOVEMBER	15,500	3	15,500	
DECEMBER	22,000	14	22,000	

LINE ITEM NUMBER 400603  
 YEAR 1, 2, 3  
 INSTALLATION DFSP NORWALK  
 TRANSPORTATION F

MONTH	Total Quantity	Curtailment Days per Month	EPA Estimated Quantity	Monthly Buy
JANUARY	1,900	0	1,900	
FEBRUARY	1,750	0	1,750	
MARCH	1,800	0	1,800	
APRIL	1,200	0	1,200	
MAY	1,200	0	1,200	
JUNE	1,100	0	1,100	
JULY	1,700	0	1,700	
AUGUST	1,800	0	1,800	
SEPTEMBER	1,800	0	1,800	
OCTOBER	2,150	0	2,150	
NOVEMBER	1,900	0	1,900	
DECEMBER	2,500	0	2,500	